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BOSTON MEMORIAL

ON THE

COTTON MANUFACTURE.

To the Senate and House of Representatives in Congress assembled.

THE undersigned, citizens of Boston and the vicinity, interested in the cotton manufacture would respectfully represent—

That they have seen with alarm a proposition emanating from the government, proposing a radical change in the system on which our revenue laws have hitherto been administered, combining the raising a revenue sufficient for the wants of the government with a discrimination in favor of our own industry, and inviting the employment of capital in the establishment of certain manufactures.

Under this system the manufacture of cotton fabrics has advanced with a rapidity which cannot be matched in the industrial history of any nation, and yet in the midst of this success, and whilst a greater amount of new capital is going into it than at any former period, a revenue bill has been framed by the Secretary of the Treasury not only abolishing the specific duty in the form of the minimum which has existed for thirty years, but also subjecting the whole manufacture to a rate of duty below that of any other manufacture or production, requiring any thing like an equal degree of skill and capital.

Believing that such a proposition, could only proceed from a total misapprehension of the actual state of the manufacture we present ourselves before you.

We refer you to a memorial which we presented to Congress in 1842, presenting such facts as were thought material

to enable that body to act understandingly in reference to this manufacture in framing the new tariff on which it was then occupied.

From this memorial, (House Document No. 461, 27th Congress, first session, page 48) we annex some extracts.

It will be perceived that the duty on manufactures of cotton imposed by the act of 1842, is higher than that we suggested as sufficient to protect existing establishments. We have undoubted authority for saying that the existing rates were fixed by the Committee of Ways and Means *for the sake of revenue* and not because so high a duty was necessary or desirable for the sake of protection.

We believe the event has justified their views. The revenue on piece goods wholly or partially composed of cotton for the year ending 30th June, 1845, was upwards of four millions of dollars, at an average rate of $38\frac{1}{2}$ per cent. on the actual value.

We do not believe any reduction of duty will yield a greater amount of duty, nor on principles more unexceptionable on the score of revenue alone. Because it will be found on examination that the goods now imported consist almost wholly of the finer and fanciful branches of the manufacture consumed mostly by the rich, and which may well be considered luxuries—whilst the heavier common fabrics consumed by the laboring classes are actually furnished by our own manufacture on terms as cheap or cheaper than they can be imported from any country whatever. As proof of this, we need only refer to the discussions in the Manchester Chamber of Commerce, and the Manchester Borough meeting in November and December, 1844—which led to the repeal of the duty on cotton in England; and to the fact of our constantly increasing export in this branch of the manufacture.

We deprecate the change from specific to ad valorem duties in all cases, as discarding the light derived from experience, and opening the door to extensive frauds, and tending to throw the trade into the hands of unscrupulous foreigners.

We deprecate it especially in the case of the cotton manu-

facture as equally injurious to the revenue, and fatal to the principle of protection.

Should Congress finally decide on making a new tariff in the place of the existing one, we would propose the following scale of duties on manufactures of which cotton is a component part.

On all bleached or unbleached manufactures containing not exceeding ninety-two threads of warp and filling to the square inch, and weighing not less than a pound to three square yards two cents the square yard.

On all other manufactures, bleached or unbleached, four cents the square yard.

On all manufactures of cotton dyed or printed in whole or in part, six cents the square yard.

On all mixtures of cotton with wool or silk dyed or printed, eight cents the square yard.

With these rates of duty secured, we shall be content with any rate of ad valorem duty on this manufacture which Congress in their wisdom shall decide on. We will suggest however, that it would seem extraordinary to place a lower duty on these fanciful luxuries than on either woolens or hard ware.

We would also suggest that the imposing any but a nominal duty on those raw materials which enter into the preparation of goods for exportation is contrary to the enlightened policy of other nations.

It is true the memorial of 1842, was made when the manufacture was in a state of extreme depression, and that it is now in one of high prosperity. This would seem to be in itself a good argument against any change in the existing tariff, but we have seen with surprise this very success urged from high authority against the system on the ground that the profits of the manufacturers were too great, and should be reduced by cutting down the tariff.

This view is so utterly opposed to that of an enlightened political economy, which teaches us that any branch of business giving a rate of profit above the average in other pur-

suits is sure to attract capital into it, until an equilibrium is restored, that we will not suppose it can influence your deliberations.

This effect is in fact so apparent in the number of new mills now in the process of being put in operation, that the apprehension should be that the business may be very soon overdone. It is a remarkable circumstance that the most profitable branch of the manufacture has been in goods for exportation, showing clearly what is in fact notorious, that the same or even a greater degree of prosperity has attended the manufacture in England during the last two years. Already the tide has turned, and these fluctuations furnish a most flimsy ground for stable and permanent legislation.

We therefore pray for an opportunity to substantiate the foregoing facts before those Committees of Congress to which the subject of a revision of the tariff may have been committed.

Boston, 12th March, 1846.

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JOHN C. GRAY,
THOMAS B. WALES,
HENRY HALL,
ABBOTT LAWRENCE,
GEORGE M. DEXTER,
JOHN ELIOT THAYER,
GEORGE W. LYMAN,
WILLIAM W. STONE,
P. W. WARREN,
J. L. MOTLEY,
ROBERT G. SHAW,
THEODORE LYMAN,
SAMUEL APPLETON,
JAMES S. AMORY,
OZIAS GOODWIN,
J. INGERSOLL BOWDITCH,
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 SAMUEL CABOT,

BENJAMIN D. GREENE,
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THOMAS G. CARY,
WARREN DUTTON,
HENRY G. RICE,
F. C. GRAY,
J. THOMAS STEVENSON.

EXTRACTS

FROM THE

BOSTON MEMORIAL OF 1842,

ON THE

COTTON MANUFACTURE.

The cotton manufacture, as an important branch of American industry, takes date from the year 1816, under the specific or minimum duty of that year, and the introduction of the power loom—those two important events having been in fact contemporaneous. Its rapid extension has been without parallel in the whole history of commerce. It reached the consumption of 100,000 bales in 1825, and now amounts to 300,000 bales, or 120,000,000 of pounds.*

There are some circumstances, connected with the introduction and progress of this manufacture, which are entitled to notice, in their connection with the interest of the cotton-growing States. The article first produced in any quantity was a novelty in commerce. A fabric, stouter and heavier than anything heretofore in use, was produced, and became a favorite article of consumption from its first introduction. It soon became an article of export to different parts of the world, which has continued to increase up to the present time. In this way, it soon attracted the attention of British manufacturers, and became an object of imitation; and these imitations, under the name of domestics, now constitute a very large branch of trade, but with this peculiarity, the British are enabled to use a cheaper material, the growth of India, mixed with a small proportion of American cottons, by

* The consumption at the present time does not fall short of 400,000 bales or 160,000,000 of pounds.

which they furnish an article, very similar in appearance, at a lower price, but essentially inferior in texture and durability.

This superiority in quality has been so far appreciated in foreign countries as to cause a regular increase in our exports of this description of goods, as will appear on reference to the annual commercial tables. There is no doubt, however, that the British inferior imitations find a sale in greater quantities in the same markets. It is worthy of remark, that the identical article of this manufacture, which sold at thirty cents in 1816, is now selling at $7\frac{1}{2}$ cents the square yard. The articles of cotton sail duck, negro cottons, and cotton drilling, now articles of very large consumption, are also wholly of American origin, being entirely unknown in commerce until their production in this country. It is believed that this coarse description of cottons can be manufactured in this country as cheap or cheaper than they can be made in England *from the same quality of cotton*; the difference in the value of the raw material in the two countries, estimated at fully two cents the pound,* with some advantage in the use of water power, being more than sufficient to balance the advantage of greater cheapness in the price of labor in England.

Another important branch of the cotton manufacture is the finer description of shirtings and other white goods, of which very nearly the whole consumption of the country is supplied by our own manufacture, with the exception of light muslins.

The branch of the manufacture, however, most important and interesting in its character at the present time, in its connection with the tariff, is unquestionably that of printed calicoes. This manufacture was commenced about the year 1825; and so rapid has been its progress, that, from the most accurate calculation, according to the annexed table, it now amounts to full one hundred and fifty millions of yards per annum, of the value of at least sixteen millions of dollars, and

* This advantage is reduced to about one cent by the repeal of the duty in England.

employing a capital of twenty-five millions. There is no manufacture whatever requiring a combination of so much mechanical and chemical skill as this. Its introduction has been attended with much labor and difficulty, with the outlay of very heavy expenses ; but the object has been accomplished ; and we can challenge a comparison in this fabric, in designs and colors, with the most beautiful productions of France or England.

The foregoing analysis will have shown that the question of a protective tariff bears very differently on different branches of the cotton manufacture. The coarser fabrics, with which we supply foreign nations at the rate of about three millions of dollars per annum, in free competition with the British, it is quite obvious, are very little, if any way, affected by any tariff whatever. The only effect of opening our ports to this description of goods *at a very low duty, or no duty at all*, would be the influx of the inferior British imitations, made from Bengal cotton, which could of course be sold at a lower price, but which would prove to the consumer intrinsically dearer than our own manufacture, made from American cotton.

So far as relates to the finer qualities of plain cottons, *a very moderate square yard duty will protect the manufactures now in existence.* It is in reference to the article of printed calicoes, and other fancy goods, that the question of the tariff assumes its chief importance. The minimum duty on dyed or printed cottons, under the acts of 1828 and 1832, was $8\frac{3}{4}$ cents the square yard, under which the manufacture has attained its present importance ; and there is little doubt that it would have been carried still further, but for the act of March, 1833, by which this protection has been gradually reduced, and for the uncertainty what may be our legislation for the future.

A specific duty of six cents the square yard would probably be sufficient to protect the lower branches of this manufacture, embracing the larger portion of it, and in which competition has carried down prices to the lowest average rate of profit in other branches of business. But it becomes a question of

general expediency, whether policy does not require such protection as shall secure the production of the more expensive and beautiful of these fabrics in this country. The means and facilities exist. But in this description of goods, more than most others, the application of capital to it will depend on the rate of protection. The actual expense of printing calicoes varies very little between this country and Europe ; it is, however, something in their favor. But in the supply of articles of fancy, where so much depends on taste, and where so great an outlay of capital is necessary for its gratification, it will hardly be undertaken without a reasonable assurance of having the market, without the interference of heavy foreign importation, which, in articles of this kind, which do not admit of being held over from season to season, might prove wholly ruinous.

The point, however, which we would respectfully urge upon Congress is, *that the duty, whatever its rate, should be specific*, either in the form of one fixed duty on the square yard on all cotton manufactures, only discriminating between those which are and those which are not dyed or printed ; or, as in the existing law, under the form of a minimum, with an ad valorem duty on all goods costing above a specific rate. The first mode has the advantage of simplicity, and is much more equal in its operation than would be supposed without an accurate examination into the facts of the case.

The difference in value between fine and coarse goods being by the yard not very great, the additional labor applied to the former is in a great measure compensated by the less quantity of stock which they contain. Thus the superficial value of stout negro cloth, or drilling, will be found about equal to that of the fine shirting or printing cloth. Should this mode be adopted, *and such a duty be imposed as considerations of revenue alone would dictate, it would afford a very ample protection to the existing manufacture, without being liable to the charge of imposing a burden on any portion of the community whatever.* For we assert and challenge inquiry into the fact, that, for all the common purposes of life,

our present manufactures of cotton are intrinsically as cheap or cheaper than they can be furnished from any part of the world.

The only result of any arrangement of the tariff which should, in fact, have the effect to bring into the country any additional importation of this description of manufactures would be the introduction of fabrics made from the inferior cotton of India instead of our own, or, in the case of printed calicoes, the introduction of a more flimsy fabric, with false and fugitive colors, offering a temptation of cheapness to the unskilful, but substituting articles intrinsically dearer to the consumer than our own manufacture. This view of the subject, to be fully appreciated, would require an examination into practical results, to which we earnestly invite your attention.

We cannot urge upon Congress too earnestly our conviction that, whether in reference to revenue alone, or the protection of our interests, the duties should be specific, either in one fixed duty by the square yard, or in the form of a minimum, under which the manufacture has risen to its present importance. We would prefer the lowest possible minimum duty to a simple duty of thirty per cent. *ad valorem*. The skill requisite to an accurate knowledge of the value of printed cottons presents an insuperable obstacle to a home valuation at our numerous ports of entry, on any principle approaching equality, and no article affords greater facility for frauds under any *ad valorem* duty.

